

MINUTES OF REGULAR MEETING
KLEINWOOD MUNICIPAL UTILITY DISTRICT
HARRIS COUNTY, TEXAS

26 February 2026

STATE OF TEXAS §
COUNTY OF HARRIS §

The Board of Directors (the "Board") of Kleinwood Municipal Utility District (the "District") of Harris County, Texas, met in regular session, open to the public, at 6:00 p.m. on the 26th day of February 2026, at the District Office, 16530 Kleinwood Drive, Spring, Texas, within the boundaries of the District, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Sherry Allard	President
Robert Ehmann	Vice President
David C. Guerrero	Secretary/Treasurer
Joe Fratangelo	Assistant Secretary
Tom Liewer	Assistant Vice President & Assistant Secretary

and all of said persons were present, with Director Allard attending by teleconference, thus constituting a quorum. The Board noted that Director Allard could participate in the discussions but could not vote on matters before the Board at this meeting, pursuant to Section 551.127 of the Texas Government Code.

Also present were Ashlie Whittemore of Wheeler & Associates, Inc. ("Wheeler"), the Tax Assessor/Collector for the District; Bill Blich with Blich Associates, Inc. ("Blich"), the District's Financial Advisor; David Warner, P.E., of Quiddity Engineering, LLC ("Quiddity"), Engineer for the District; Johnson Ashcraft of Inframark, LLC ("Inframark"), Operator for the District; Roger Schuett, Office Manager for the District; Les Griffith representing Champions Hydro-Lawn, Inc. ("CHL"); Sergeant M. Gonzalez and Deputy J. Gomez with Harris County Precinct 4 Constable's Office (the "Constable's Office"); and Will Yale and David Green of Coats Rose, P.C. ("Coats Rose"), Attorney for the District. Attending the meeting by teleconference was Dick Yale of Coats Rose.

Director Ehmann called the meeting to order.

MINUTES OF THE MEETING OF 22 JANUARY 2026

The minutes of the meeting of the Board held on 22 January 2026, previously distributed to the Board, were presented for consideration and approval. Director Guerrero requested a revision to page 1 of the minutes. After discussion, upon a motion duly made and seconded, the Board voted unanimously to approve the minutes of the meeting of 22 January 2026, as amended.

PEACE OFFICER'S REPORT

The Vice President recognized Deputy Gomez, who presented the Peace Officer's Report, a copy of which is attached hereto. The Directors then discussed security related issues. Then, after review, upon a motion duly made and seconded, the Board voted unanimously to accept the Peace Officer's Report.

DETENTION AND DRAINAGE FACILITIES REPORT

The Vice President recognized Mr. Griffith, who submitted to and reviewed with the Board the Detention and Drainage Facilities Report (the "Detention Facilities Report") prepared by CHL in connection with the maintenance of the Champion Woods Estates Detention Pond. A copy of the Detention Facilities Report is attached hereto as an exhibit to these minutes. The Board also discussed the condition of the wooden fence behind the H-E-B supermarket (the "H-E-B Fence") that is located east of the Detention Pond site on property owned by Phillips Edison & Company ("Phillips"). Mr. Griffith noted that the District's Engineer was continuing to press Phillips regarding the proposed repairs to the sections of the H-E-B Fence that are in a badly deteriorated condition. The Board discussed the H-E-B Fence again later in the meeting during the presentation of the District Office Report. After discussion, upon a motion duly made and seconded, the Board voted unanimously to accept the Detention Facilities Report.

TAX ASSESSOR/COLLECTOR'S REPORT

The Vice President recognized Ms. Whittemore, who submitted to and reviewed with the Board the Tax Assessor/Collector's Report. A copy of the Tax Assessor/Collector's Report is attached hereto. The Board noted that the District had collected 87.4% of its 2025 taxes. The Directors also reviewed and discussed the Delinquent Collections Listing, a copy of which is attached hereto. Ms. Whittemore noted that Wheeler was requesting approval for six checks written on the District's tax account, and two transfers by wire as follows: a transfer of \$389,586.15 in revenues from the tax for maintenance and operations to the District's Operating Fund and \$700,000.00 to the Debt Service Fund.

Then, after discussion, upon a motion duly made and seconded, the Board voted unanimously to approve the Tax Assessor/Collector's Report and to authorize payment of the checks listed therein.

RESOLUTION CONCERNING TAX EXEMPTIONS FOR 2025

Next, Mr. Yale submitted a draft RESOLUTION CONCERNING EXEMPTION OF RESIDENCE HOMESTEADS FROM TAXATION for the Board's consideration. Mr. Yale noted that the resolution had been prepared with the same exemptions that had been offered for 2025, that is \$25,000.00 for persons who are disabled or who are sixty-five years of age or older and a 20% general residential homestead exemption (collectively, the "Exemptions"). Mr. Blich submitted to and reviewed with the Board the Homestead Exemption Study as prepared by the District's Financial Advisor. A copy of the Homestead Exemption Study is attached hereto as an exhibit. Mr. Blich offered his recommendation

that the District should continue to offer the same Exemptions for 2026 as it did for 2025. A discussion ensued regarding the Exemptions. The Directors agreed to increase to \$30,000.00 the exemption granted to persons who are disabled or who are sixty-five years of age or older.

Then, upon a motion duly made and seconded, the Board voted unanimously to grant the following Exemptions for 2026 and to adopt a RESOLUTION CONCERNING EXEMPTION OF RESIDENCE HOMESTEADS FROM TAXATION: (1) a \$30,000.00 exemption for individuals who are disabled or sixty-five years of age or older; and (2) a 20% general residential homestead exemption. A copy of the Resolution is attached hereto and shall be considered to be part of these minutes.

AGREEMENT FOR DELINQUENT TAX COLLECTION SERVICES

Mr. Yale then explained that the Board could impose a statutory charge (the "Collection Charge") of up to 20% on all 2025 taxes, penalties, and interest delinquent on 1 July 2026 for real property (and on 1 April 2026 for personal property), said Collection Charge to be used to finance the costs of collection of the delinquent taxes. In order to do so, he continued, the Board must first confirm its agreement (the "Agreement") for delinquent tax attorney services with Perdue, Brandon, Fielder, Collins & Mott, L.L.P. He explained further that under the Agreement, the amount paid by the District to the District's Delinquent Tax Attorney for the collection of delinquent 2025 taxes would be equal to the additional collection charge as approved by the Board on all 2025 taxes, penalties, and interest delinquent on the applicable dates, up to the statutory maximum of 20%, pursuant to Sections 33.07, 33.08, and 33.11 of the Texas Tax Code. After discussion, upon a motion duly made and seconded, the Board voted unanimously to confirm its Agreement with the District's Delinquent Tax Attorney.

COLLECTION CHARGE ON ALL DELINQUENT 2024 TAXES, PENALTIES, AND INTEREST

Consideration was then given to imposing the Collection Charge as described above. After discussion, upon a motion duly made and seconded, the Board voted unanimously to impose a 20% Collection Charge on all 2025 taxes, penalties, and interest that are due and remain delinquent as of the applicable dates, pursuant to Sections 33.07, 33.08, and 33.11 of the Texas Tax Code. A copy of the CERTIFICATE OF BOARD ACTION related to this matter is attached hereto as an exhibit to these minutes.

ENGINEER'S REPORT

The Vice President then recognized Mr. Warner, who presented the Engineer's Report as follows:

Water Plant No. 2 / Hydropneumatic Tank Addition (the "HPT Addition"). Mr. Warner reported that CFG Industries, LLC ("CFG") has completed the connection to the existing piping and is proceeding with the remaining items for the project. He added that CFG intends to complete this work by the end of the first week of March 2026. At that time, he continued, Quiddity will schedule the substantial completion inspection.

Water Plant No. 2 / Ground Storage Tank No. 2 ("GST No. 2"). Mr. Warner reported that DN Tanks, the manufacturer of GST No. 2, recently completed the repair work within GST No. 2, which included sealant reapplications to the piping penetrations, removal of rust nodules found at the fill line encasements, and the sealing of any cracks along the floor that were observed during the inspection. He stated that GST No. 2 will soon be filled and leak tested.

Rebuilding of Water Plant No. 1 (the "Rebuilding Project"). Mr. Warner reported that R&B Group, Inc. ("R&B"), is ready to proceed on the Rebuilding Project. He stated that Quiddity was continuing to review the submittals from R&B and will issue the Notice to Proceed following the conclusion of the HPT Addition and the repairs to GST No. 2 at Water Plant No. 2.

Requests for Service. Mr. Warner discussed with the Board the request from Harris County (the "County") for Quiddity to review plans for certain restroom improvements to be constructed in Meyer Park (the "Restroom Improvements"). He stated that Quiddity was recently informed by the County's development team that the Restroom Improvements project had been on hold for some time but is starting up again. Mr. Warner stated that the County is expected to provide the District's Engineer with the \$6,000.00 deposit for the review of the plans for the Restroom Improvements.

Mr. Warner then reported on the status of the request for water and sanitary sewer capacity for a proposed commercial development in a 4.4-acre tract located at Cypresswood Drive and Stuebner Airline Road, a portion of which is located outside the boundaries of the District. He stated that Quiddity issued to the developer a capacity letter for the requested utility capacity of approximately 1,541 gallons per day ("gpd") of water capacity and 1,070 gpd of sanitary sewer capacity. He continued that Quiddity is reviewing the plans for the proposed gas station and retail store to be located at 6945 Cypresswood Drive.

Annual Water Plant Inspections. Mr. Warner reported that Quiddity recently completed the first round of field work for the Inspections and plans to complete the remaining fieldwork once HPT No. 2 at Water Plant No. 2 is fully operational.

America's Water Infrastructure Act ("AWIA") Updates. Mr. Warner reported that Quiddity is updating the following documents of the District pursuant to the requirements of the AWIA: (1) the Risk and Resilience Assessment, which must be submitted to the U.S. Environmental Protection Agency (the "EPA") by 30 June 2026; and (2) the Emergency Response Plan, which must be submitted to the EPA by 31 December 2026.

North Harris County Regional Water Authority (the "NHCRWA"). Mr. Warner informed the Board that the NHCRWA is considering the establishment of a Groundwater Conservation Fee in which the water districts in its jurisdiction that receive surface water from the NHCRWA would be assessed a fee of \$3.50 per 1,000 gallons for any water produced by their own water wells. He explained that this fee would be in addition to the existing surface water fee (\$3.05 per 1,000 gallons) that the NHCRWA charges for surface water provided to the water districts in its jurisdiction. He noted that the proposed

Groundwater Conservation Fee was not discussed at the 2 February 2026 meeting of the NHCRWA's board of directors but was announced on the NHCRWA's internet website. Mr. Warner remarked that the NHCRWA is accepting written comments regarding the proposed Groundwater Conservation Fee until 6 April 2026 at kibriana@nhcrwa.com. He distributed to the Board an information sheet regarding the Groundwater Conservation Fee as prepared by Quiddity (the "Information Sheet"). A copy of the Information Sheet is attached hereto as an exhibit to these minutes. After discussion, the Board directed the District's Attorney to post the Information Sheet on the District's internet website.

Then, after review, upon a motion duly made and seconded, the Board voted unanimously to accept the Engineer's Report. A copy of the Engineer's Report is attached hereto as an exhibit to these minutes.

ATTORNEY'S REPORT

The Vice President recognized Mr. Yale, who presented the Attorney's Report.

Cyber Security Awareness Training. Mr. Yale reported that, to date, Director Guerrero had completed the annual cyber security awareness training (the "Training") that is required of certain local government officials by Section 2054.519 of the Texas Government Code. Director Liewer informed the Board that he had completed the Training. Mr. Yale stated that the District's Attorney would retransmit the internet link for the training video to Directors Allard, Ehmann, and Fratangelo.

First Amendment to Agreement for Management of the District Office (the "First Amendment"). Mr. Yale reported that the District's Attorney was working with Mr. Schuett to prepare the First Amendment. He recalled that the current Agreement for Management of the District Office between the District and Mr. Schuett was approved on 16 November 2006 and accordingly was due for certain updates.

REVIEW PROPOSALS FOR SWIMMING POOL FILTERS (the "Filters")

The Directors then reviewed proposals for the replacement of the Filters in the swimming pool at the Kleinwood Clubhouse. Mr. Yale submitted for the Board's review the proposals received from Aquatic Management, A-Beautiful Pools, and Houston Pool Renovations (the "Proposals"). Copies of the Proposals are attached hereto as exhibits to these minutes. Director Guerrero informed the Board that he met with the directors of the Kleinwood Maintenance Fund (the "KMF") to review the Proposals. He stated that the KMF directors consider the Proposal submitted by Aquatic Management in the amount of \$10,785.00 to be the most advantageous.

After discussion, upon a motion duly made and seconded, the Board voted unanimously to accept the Proposal submitted by Aquatic Management.

OPERATOR'S REPORT

The Vice President recognized Mr. Ashcraft, who submitted to and reviewed with the Board the Operator's Report as follows:

Water Plant Operations. Mr. Ashcraft reported that the billed to pumped ratio for the prior month was 98.4% and that the District has 897 service connections, including three vacant single-family residences. He noted that surface water received from the NHCRWA accounted for 72% of the water distributed to the District's customers during the period ending 12 January 2026.

Utility Operator's Report. Mr. Ashcraft reviewed with the Board the utility billing summary, accountability report, subsidence district report, NHCRWA fee report, and the 60-day delinquent list, as shown in the Operator's Report attached hereto.

Kleinwood Regional Wastewater Treatment Plant (the "Plant"). Mr. Ashcraft reviewed with the Board the cover page from the Operator's Report for the Plant dated 4 February 2026, a copy of which is included with the Operator's Report.

Significant System Repairs. Mr. Ashcraft reported that booster pump No. 3 at Water Plant No. 2 had been replaced. He stated that landscaping had been replaced after repairs were made at 16502 Squyres Road. Mr. Ashcraft then reported that a sanitary sewer line blockage was cleared near 16303 Lyons School Road. He added that Inframark intends to perform a televised inspection of that section of the sanitary sewer line to ensure that there are no critical issues. With regard to GST No. 2 at Water Plant No. 2, Mr. Ashcraft reported that Inframark was awaiting authorization to perform a partial refill.

Write-Off Report. Mr. Ashcraft reported that that there were 11 closed service accounts with balances due to the District totaling \$2,301.54 that would be turned over to a collection agency.

Then, after review, upon a motion duly made and seconded, the Board voted unanimously to accept the Operator's Report, a copy of which is attached hereto.

TERMINATION OF SERVICE

Consideration was then given to the termination of water service to certain delinquent accounts. The Vice President recognized Mr. Ashcraft, who advised the Board that the requisite notifications had been given to each customer and that each customer was advised of the date, time, and place of the Board meeting which they could attend to discuss termination of service. The Board noted that there were no customers present to protest the utility billings. After discussion, upon a motion duly made and seconded, the Board voted unanimously to authorize the Operator to terminate the water and sewer service to those accounts listed on the termination list.

REPORT ON OPERATION OF DISTRICT OFFICE

The Vice President recognized Mr. Schuett, who presented the report concerning the District Office (the "Office Report"), a copy of which is attached hereto.

H-E-B Fence. The Directors returned to their earlier discussion regarding the H-E-B Fence. Mr. Schuett stated that he would prepare a cost estimate for repairing a certain

16-foot section of the H-E-B fence for review at the Board's meeting on 26 March 2026. Mr. Warner stated that he would contact Phillips again regarding the condition of the H-E-B Fence.

Then, after review, upon a motion duly made and seconded, the Board voted unanimously to accept the Office Report.

BOOKKEEPER'S REPORT

Mr. Schuett presented the Bookkeeper's Report on behalf of Claudia Redden & Associates, L.L.C., the District's Bookkeeper. A copy of the Bookkeeper's Report is attached hereto as an exhibit to these minutes. Mr. Schuett listed the balances in each of the District's accounts and reviewed the activity in each account. The Directors reviewed certain invoices for payment by the Board, as well as the Investment Report. Then, upon a motion duly made and seconded, the Board voted unanimously to approve the Bookkeeper's Report, and to authorize payment of the checks listed therein.

OPERATING BUDGET FOR FISCAL YEAR ENDING 31 MARCH 2027

Mr. Schuett distributed copies of a preliminary draft Operating Budget for the District for the fiscal year ending 31 March 2027 (the "Budget") for review by the Directors and the District's consultants. He remarked that the Board would need to adopt the Budget at the meeting on 25 March 2026.

KLEINWOOD JOINT POWERS BOARD ("KJPB")

Director Fratangelo presented a report on the activities of the KJPB. A copy of the draft minutes of the KJPB meeting held on 4 February 2026 is attached hereto as an exhibit.

KMF

The Directors discussed the activities of the KMF. Director Fratangelo expressed his concern regarding low usage of the swimming pool at the Kleinwood Clubhouse in recent seasons.

There being no further business to come before the Board, the meeting was adjourned.




Secretary, Board of Directors

Kleinwood Municipal Utility District
Meeting of 26 February 2026
Attachments

1. Peace Officer's Report;
2. Detention Facilities Report;
3. Tax Assessor/Collector's Report;
4. Homestead Exemption Study;
5. Resolution Concerning Exemption of Residence Homesteads From Taxation;
6. Certificate of Board Action / 20% charge on delinquent taxes;
7. Engineer's Report;
8. Information Sheet / NHCRWA water conservation fee;
9. Proposals for Pool Filters;
10. Operator's Report;
11. District Office Report;
12. Bookkeeper's Report; and
13. KJPB draft meeting minutes.